



A.J. Plast Public Company Limited

95 Thakarm Rd., Samaedam, Bangkhuntien, Bangkok 10150 Thailand.
Tel. 415-0035, 415-6059 Fax : (662) 415-3795
Public Company Limited. Registration No. 375



15 August 2023

Subject: Management Discussion and Analysis for Q2.2023 the Three-Months Period Ended 30 June 2023

To: The Managing Director

The Stock Exchange of Thailand

Unit: MB

Summary of operating results	Consolidated	
	2023	2022
Sales	1,968.29	2,609.00
Cost of Sales	1,965.54	2,292.29
Gross Margin	2.75	316.71
Gain (loss) on exchange rates	8.69	(12.40)
Other Incomes	21.80	16.89
Total Revenues	1,990.09	2,625.89
Selling and Administrative Expenses	163.91	178.03
Finance Costs	31.03	18.31
Net Profit (loss)	(112.88)	124.61
Net Profit (loss) attributable to the parent company	(104.81)	125.04
Earnings (deficit) per share (Baht)	(0.24)	0.28

The company would like to explain the causes of changes as follows:

1. Total sales in Q2.2023 were Baht 1,968.29 million, decreasing by Baht 640.71 million or equivalent to 24.56% when compared to Q2.2022, mainly due to the drop in selling price driven by competitive industry during period of Q2.2023.
2. The increase in cost of sales to revenue ratio by 12.00% (from 87.86% in Q2.2022 to 99.86% in Q2.2023) was mainly due to the decrease in selling price as above mentioned.
3. Others income, mainly consist of revenue from the sale of film scrap, tax cards income and gain from assets disposal, increased by Baht 4.91 million to Baht 21.80 million when compared to Q2.2022.
4. Profits (loss) from foreign currency exchange increased by Baht 21.09 million from a loss of Baht 12.40 million in Q2.2022 to a profit of Baht 8.69 million in Q2.2023, because the fluctuation in the foreign exchange rate. However, the company has entered into some forward contracts to minimize risks relate to the exchange rate fluctuation.
5. The decrease in selling and administrative expenses by Baht 14.12 million or 7.93% from Baht 178.03 million in Q2.2022 to Baht 163.91 million in Q2.2023, was mainly due to the decrease in freight costs.



บริษัท เอ.เจ. พลาสติก จำกัด (มหาชน)

95 ถนนท่าข้าม แขวงสามตำ เขตบางขุนเทียน กรุงเทพฯ 10150
โทร. 415-0035, 415-6059 แฟกซ์ 415-3795 เลขทะเบียน บมจ. 375



6. Finance costs consist of bank fees and interest expenses. The increase by Baht 12.72 million from Baht 18.31 million in Q2.2022 to Baht 31.03 million in Q2.2023 was mainly due to the company entered into long-term loan agreements in order to elevate the production capacity by constructing a new factory and investing in new machines to add new production lines. Currently, the construction of the factory building and machine installation have been partially completed. However, the company has repaid loans and interest regularly.
7. The performance of the company decreased by Baht 229.85 million or 183.82% from a profit of Baht 125.04 million in Q2.2022 to loss of Baht 104.81 million in Q2.2023 from the above-mentioned reasons.



Yours Sincerely,

(Mr. Kittiphat Suthisamphat)

Executive Vice President